BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, DC 20554

| In the Matter of |) | |
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| |) | |
| Petition of the Verizon Telephone |) | |
| Companies for Forbearance Pursuant to |) | WC Docket No. 06-172 |
| 47 U.S.C. § 160(c) in the Philadelphia, |) | |
| Pittsburgh, Boston, New York City, |) | |
| Providence and Virginia Beach |) | |
| Metropolitan Statistical Areas. |) | |

REPLY COMMENTS OF THE

NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES,
THE PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE,
THE PUBLIC UTILITY LAW PROJECT OF NEW YORK, INC.,
THE MASSACHUSETTS OFFICE OF ATTORNEY GENERAL,
THE VIRGINIA OFFICE OF ATTORNEY GENERAL,
THE MARYLAND OFFICE OF PEOPLE'S COUNSEL,
THE NEW JERSEY DIVISION OF RATE COUNSEL,
THE NEW HAMPSHIRE OFFICE OF CONSUMER ADVOCATE AND
THE CONNECTICUT OFFICE OF CONSUMER COUNSEL

On September 6, 2006, the Verizon Telephone Companies ("Verizon") filed six separate Petitions with the Federal Communications Commission ("FCC" or "Commission") seeking forbearance from a multitude of FCC regulations and other current obligations in the Boston, Philadelphia, Pittsburgh, Providence, New York City

and Virginia Beach Metropolitan Statistical Service Areas ("MSAs").¹ In the Petitions, Verizon asserted that it seeks substantially the same regulatory relief the FCC granted to Qwest Corporation (Qwest) in the Omaha Order.²

Pursuant to the Commission's Public Notices,³ on March 5, 2007, the National Association of State Utility Consumer Advocates ("NASUCA"),⁴ the Pennsylvania Office of Consumer Advocate, the Public Utility Law Project of New York, Inc., the Massachusetts Office of Attorney General, the Virginia Office of Attorney General, the Maryland Office of People's Counsel, the New Jersey Division of Rate Counsel, the New Hampshire Office of Consumer Advocate and the Connecticut Office of Consumer

The six Petitions Verizon filed have substantially the same structure and discuss substantially the same issues. Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Boston Metropolitan Statistical Area, WC Docket No. 06-172 (filed Sept. 6, 2006); Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the New York City Metropolitan Statistical Area, WC Docket No. 06-172 (filed Sept. 6, 2006); Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Philadelphia Metropolitan Statistical Area, WC Docket No. 06-172 (filed Sept. 6, 2006); Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Pittsburgh Metropolitan Statistical Area, WC Docket No. 06-172 (filed Sept. 6, 2006); Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Providence Metropolitan Statistical Area, WC Docket No. 06-172 (filed Sept. 6, 2006); Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Verizon Tele

² <u>Petition of Qwest Corporation for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Omaha Metropolitan</u> Statistical Area, Memorandum Opinion and Order, 20 FCC Rcd 19415 (2005) ("Omaha Order").

³ The original Public Notice was DA 06-1869. After a series of extensions, the comment and reply comment dates were set for March 5, 2007 and April 18, 2007, respectively, in DA 07-277.

⁴ NASUCA is a voluntary association of advocate offices in more than 40 states and the District of Columbia, incorporated in Florida as a non-profit corporation. NASUCA's members are designated by the laws of their respective jurisdictions to represent the interests of utility consumers before state and federal regulators and in the courts. *See*, *e.g.*, Ohio. Rev. Code Ch. 4911; 71 Pa. Cons. Stat. Ann. § 309-4(a); Md. Pub. Util. Code Ann. § 2-205; Minn. Stat. § 8.33; D.C. Code Ann. § 34-804(d); Virginia Code § 2.2-517; N.J.S.A. C.52:27EE-1, *et seq; Mass. Gen. Laws Ch.* 12, § 11e (1997). Members operate independently from state utility commissions as advocates primarily for residential ratepayers. Some NASUCA member offices are separately established advocate organizations while others are divisions of larger state agencies (*e.g.*, the state Attorney General's office). NASUCA's associate and affiliate members also serve utility consumers, but are not created by state law or do not have statewide authority.

Counsel (collectively referred to as the "Joint Consumer Commenters")⁵ filed extensive comments urging the Commission to reject Verizon's Petitions. The Joint Consumer Commenters stated:

The "market forces" alleged are not sufficient to protect the interests of consumers, particularly those consumers who subscribe to standalone basic local exchange service rather than a bundle of local and long distance calling with vertical features. Furthermore, facilities-based competition within the Verizon MSAs is not substantially similar to that in the Omaha MSA such that regulatory treatment similar to that granted for Qwest in the Omaha Order is not appropriate. Finally, the Verizon Petitions are overreaching. While forbearance from some of the regulations that Verizon proposes might be appropriate in certain wire centers in certain MSAs if Verizon had presented the required proof, forbearance should not be granted for all of the regulations that Verizon has requested in all the wire centers in all the MSAs. Therefore, the Verizon Petitions must be denied as filed.⁶

Twenty other comments were filed on the Petitions, many from groups of stakeholders.⁷ None of those comments supported the Petitions. Opposition comes from carriers of all types, as well as from state and local government and regulators. Many of the comments echoed the reasons cited by the Joint Consumer Commenters for denying the Petitions.

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⁵ Joint Consumer Commenters include parties from states other than those in which the six metropolitan cities are located because in many cases MSAs extend beyond state boundaries (*e.g.*, the Boston MSA includes portions of southern New Hampshire, as well as Massachusetts, and the Philadelphia MSA includes portions of Delaware, Maryland and New Jersey).

⁶ Joint Consumer Commenters Comments at 2-3.

⁷ Comments were filed by ACN Communications Services, Inc. and 21 other competitive carriers; Braodview Networks, Inc., Cavalier Telephone Corporation; Covad Communications Group, NuVox Communications and XO Communications, LLC; Cox Communications, Inc.; California Public Utilities Commission and the People of the State of California; City of New York; City of Philadelphia ("Philadelphia"); Comcast Corporation; Comptel; Earthlink, Inc. and New Age Network, Inc.; Integra Telecom, Inc.; Monmouth Telephone and Telegraph, Inc.; National Cable & Telecommunications Association; National Telecommunications Cooperative Association; Pennsylvania Public Utility Commission; Sprint Nextel Corporation; Telecom Investors; Time Warner Cable; Time Warner Telecom Inc., Cbeyond Inc., and One Communications Corp. A few of the comments (e.g., Philadelphia) were filed specifying the Petition they address. Comptel filed individual comments on each of the Petitions.

Given the lack of support for the Petitions, there is nothing here for the Joint Consumer Commenters to rebut. And the Joint Consumer Commenters will not burden the record with a repetition of the many grounds on which the Petitions should be denied. Therefore, the Joint Consumer Commenters will again urge the Commission to deny the Petitions.⁸

Respectfully submitted,

/s/ Charles Acquard

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⁸ Especially given the breadth of the opposition, it would be outrageous if the Commission did not act in time and any of the Petitions were granted by operation of law. 47 U.S.C. § 160(c).

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